

EXHIBIT I

JARVIS AND MANDELL, LLC

FACSIMILE TRANSMITTAL SHEET

TO: John Repicci	FROM: Christopher
COMPANY:	DATE:
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PHONE NUMBER:	SENDER'S REFERENCE NUMBER:
RE:	YOUR REFERENCE NUMBER

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NOTES/COMMENTS:



JARVIS & MANDELL, LLC
WEALTH PROTECTION ALLIANCE

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April 14, 2006

John:

The purpose of this letter is to clarify the planning opportunity that we discussed briefly the last time we spoke. This is the same plan that Marcus plans to utilize for his long term benefit of maximum long term income. In your case, the plan can be modified to maximize the after-tax estate you leave your family.

Given the following facts, this is something that should be of great interest to you:

1. You earn far more than your lifestyle requires ~ you don't need every dollar of your current income and can afford to deduct more into a plan that benefits your practice, you or your family.
2. You pay more income taxes per year than you would like and are always looking for tax-efficient ways to run your practice.
3. You have a large enough net worth to support Lori and your quality of life in retirement even if you live to be 120.
4. Every unspent dollar (and there are many millions of them) will be taxed at rates up to 50% at your passing.
5. You would rather leave money to your children than to the IRS.

The Licensed Executive Benefit Plan ~ Basic Overview

The Licensed Executive Benefit Plan can be implemented to benefit both a corporation and its key employees, owners or executives. There are two distinct parts of the transaction that are separate, but important to the overall value of the plan. Marcus is already aware of how the program will work for him, so I will focus on how the plan will benefit the practice and you.

Part I ~ Value to the Practice

Your practice will pay Professional Business Services a fee annually. The fee will be for the licensing of intellectual property as well as the administration, implementation and funding of the Executive Benefit Plan. The value of this plan to every business or practice differs based on type of business, age of participants, salaries of participants, and a host of economic factors for the region.

To be conservative, we require our clients to engage a national expert in the area of valuation of physician practices to help determine the value of your practice's participation in the plan. In other words, before you go forward with the plan, you will already have a copy of a valuation opinion from a publicly-traded company (CBIZ - NASDAQ - see them at www.cbiz.com) that is one of the 5 largest valuation firms in the U.S. that not only explains the value of the plan to the medical practice but also comments on the amount of deduction the practice can take for its participation and payment to the plan. CBIZ is completely independent, as they charge a fee for their analysis and are in no way benefited or compensated if a firm implements the benefit plan. In essence, you will already have unbiased expert testimony as to the value and deductibility of the plan to the practice before you even write your check.

After PBS earns the fee for its work, it will report its income and pay its appropriate taxes. At the end of the day, all dollars are reported and taxes are paid. Between CBIZ's analysis and the fact that all funds flowing into the plan are post-tax, we feel that this plan is extremely conservative from a tax point of view.

Part II - Value to You or Your Family

All executive of firms who are clients of Professional Business Services have access to the benefit plan called "ExTRA." This plan, essentially, is a life insurance premium financed plan. The financing company is Executive Benefit Group (EBG), a subsidiary of PBC. Further, the executives can transfer this financing availability to any of its family members at no cost and without triggering a gift for gift tax purposes.

The premium financing has the following terms:

1. The amount of premium available for financing is equal to 90% of the fee PBS received annually (e.g. if your practice pays \$500,000 per year, \$450,000 per year can be financed).
2. The financing is made to a Limited Liability Company (LLC) where the client (or client's heirs) is the Managing Member of the LLC.
3. The financing rate is 3% per year, fixed for the life of the program.
4. The financing does not need to be repaid until the death of the client and spouse or the death of the heirs.
5. The LLC must purchase ONE life insurance policy to repay EBG when the client dies (this usually costs 20% of the financed amount).
6. The LLC must purchase a SECOND life insurance policy for the benefit of the participant. This purchase usually is made with 80% of the financed amount.
7. The SECOND policy will pay the participant (the trust for your heirs in your case) 100% income and estate tax free at death.

Let's assume that in your case, your practice could spend \$300,000 to \$500,000 per year for its participation in the plan.

- * Your practice would get a deduction for \$300,000 (though it might be more)
- * \$270,000 would be invested into an LLC where your kids trust is the other owner.
- * \$54,000 would be used to buy a policy to repay the premium financing company.
- * \$216,000 would be used to purchase a \$3,500,000 policy on you and Lori.
- * \$3.5 million would go to your trust tax free when you die.

The attached spreadsheet shows you what the value of the \$300,000 per year would be to you and Lori (after income taxes) and to the kids (after estate taxes). Basically, every \$300,000 you earn before taxes is worth slightly more than \$80,000 to your family. If you work another 5 years and you and Lori live another 20 years, those five years of earnings will result in about \$837,000 to the kids.

With this plan, you can leave the kids \$3.5 million or more TAX FREE to the heirs. We would ONLY use insurance policies that are GUARANTEED and not take any investment risk. The economics of this plan are very similar to what we did successfully a few years ago.

This is obviously a very brief description of the plan, but I wanted to get you something to look over so we could talk about it.

You need to focus on three points:

1. The deduction - this is determined by an unbiased national expert who is a publicly traded company. This is the best supported deduction we can find.
2. The financing terms - the LLC operating agreement (which Celia has reviewed and can help you implement) protects your family's interest in the policies and does NOT subject them to risk of the policy performance. The financing terms are fixed.
3. Policy for your family - we would only use highly rated companies with policies that are guaranteed. We know you liked these in the past. This will reduce some risk for you.

Please give me a call at (888) 317-9895 to discuss.

Sincerely,

Christopher B. Jarvis, MBA

p.s. We could earmark part of this just for Tom to help him out as well if you wanted to handle that issue we discussed previously.

Value of Today's Earnings to Your Heirs
Doing Nothing vs. Licensed Executive Benefit Plan

Do Nothing Analysis

	<u>Option 1</u>	<u>Option 2</u>
Payment from P.C. to PBO	\$300,000	\$600,000
Income Tax Rate	45%	45%
After Tax Value of Payment	\$165,000	\$275,000
Value to Heirs after Estate Taxes	\$82,500	\$137,500
After Tax Rate of Return	4%	4%
Value to Heirs in 10 Years	\$265,404	\$242,339
Value to Heirs in 15 Years	\$387,900	\$1,146,600
Value to Heirs in 20 Years	\$836,935	\$1,394,892
Value to Heirs in 25 Years	\$1,018,260	\$1,697,100

Licensed Executive Benefit Alternative

Payment from P.C. to PBO	\$300,000	\$600,000
Investment with LLC w/Heirs	\$270,000	\$450,000
Cost of Collateral Policy to RePay EBG	\$54,000	\$90,000
Net Premium Available for Heirs	\$216,000	\$360,000
Increased Benefit per Year to Heirs	\$133,500	\$222,500

If you use these funds to purchase life insurance on John and Lorraine:

Guaranteed After Tax Death Benefit to Family	\$3,600,000	\$5,800,000
Benefit to Family in 10 Years	\$2,934,596	\$4,857,861
Benefit to Family in 15 Years	\$2,812,100	\$4,663,500
Benefit to Family in 20 Years	\$2,663,066	\$4,405,108
Benefit to Family in 25 Years	\$2,916,337	\$4,102,900